

**STATEMENT OF
PHILIP MATKOVSKY
ASSISTANT DEPUTY UNDER SECRETARY FOR HEALTH
FOR ADMINISTRATIVE OPERATIONS
VETERANS HEALTH ADMINISTRATION (VHA)
DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS**

JUNE 18, 2014

Good morning, Chairman Miller, Ranking Member Michaud, and Members of the Committee. Thank you for the opportunity to discuss the Department of Veterans Affairs' (VA) non-VA care programs.

As former Secretary Shinseki and Acting Secretary Gibson have stated, we now know that within some of our Veterans Health Administration (VHA) facilities, VA has learned of some systemic issues that are unacceptable and demonstrate a lack of integrity. That breach of trust—which involved the tracking of patient wait times for appointments—is irresponsible, indefensible, and unacceptable to the Department. Let me apologize to our Veterans, their families and loved ones, Members of Congress, Veterans Service Organizations, and to the American people. You all deserve better from us.

VA provides care to Veterans directly in a VHA facility or indirectly through contracts, including contracts formed when providers accept individual authorizations, or through reimbursements, such as for emergency care. This mix of in-house and external care provides Veterans the full continuum of health care services covered under our medical benefits package. VA's non-VA Care programs are designed to ensure high-quality care is provided to Veterans under its non-VA care authorities. The programs are also designed to ensure Veterans receive effective and efficient non-VA care seamlessly.

It is VHA policy to provide eligible Veterans necessary care within the VA system when feasible and authorized by law. When VA cannot provide the necessary hospital care and medical services at a VA medical facility, it is authorized to provide that care through non-VA providers through non-VA care programs in accordance with 38 United States Code (U.S.C.) 1703, 1725, 1728, 8111, and 8153.

On May 23, 2014, VHA established the Accelerating Care Initiative, a coordinated, system-wide initiative to accelerate care to Veterans. This initiative increases timely access to care for Veteran patients; decreases the number of Veteran patients on the Electronic Work List (EWL); decreases the number of Veterans waiting greater than 30 days for their care; and, standardizes process and tools for ongoing monitoring of access management at VA facilities. This initiative includes activities such as ensuring Primary Care clinic panels are correctly sized and achieving the desired level of productivity; extending or flexing clinic hours on nights and weekends; and, assessing the availability of community providers to meet care needs. The initiative strengthens access to care in the VA system while ensuring flexibility to use private sector care when needed. Where VA cannot quickly increase capacity, VA is increasing the use of care in the community through non-VA care.

VA is focusing on two major initiatives to improve the oversight, management, and delivery of non-VA care: Patient-Centered Community Care (PC3) and the Non-VA Care Coordination (NVCC) program. PC3 is a VHA nationwide program of health care contracts to provide eligible Veterans access to specialty care. Under PC3, VHA contracts with Health Net and TriWest which have developed networks of providers who deliver the covered care, including specialty care, mental health care, limited emergency care and limited newborn care. The goal is to ensure Veterans receive care from qualified community providers that is timely, accessible, and courteous, that honors Veterans' preferences, enhances medical documentation sharing, and that is coordinated with VA providers when VA services are not available or feasible.

NVCC is VA's internal program to improve and standardize our processes for referrals to non-VA care. The NVCC model centers on effective referral management and consistency in documenting, tracking, and coordinating patients in community health facilities. Through NVCC, non-VA care program staff use standardized processes and templates for the administrative functions associated with non-VA care, including when a Veteran is admitted to a non-VA health care facility for emergency treatment.

VA utilizes additional authorities in furnishing hospital care and medical services to Veterans. When a Veteran experiences an emergency situation, VA recommends

that a Veteran seek care at the nearest emergency department. VA is authorized to pay or reimburse for non-VA emergency treatment furnished Veterans in accordance with 38 U.S.C. 1728 and 1725. In general, 38 U.S.C. 1725 requires VA to provide reimbursement for non-VA emergency treatment of certain Veterans with non-service-connected conditions. Veterans must meet all conditions of this statute to be eligible for payment/reimbursement to include that the Veteran be an “active Department health-care participant” who is personally liable for the emergency treatment furnished. A Veteran is an active Department health-care participant if he or she is enrolled in the VA health care system and has received health care services under the authority of 38 U.S.C. Chapter 17 within the previous 24 months. In general, 38 U.S.C. 1728 requires VA to reimburse for emergency treatment related to a Veteran’s service connected conditions.

Also, VA is completing Project ARCH (Access Received Closer to Home), which is a 3-year pilot program to evaluate how to improve access to quality health care for rural and highly rural Veterans by providing these services closer to where they live through contractual agreements with non-VA medical providers. Project ARCH authority, section 403 of P.L. 110-387; 38 USC 1703 note, expires on August 29, 2014. The PC3 contracts provide coverage for Veterans in rural and highly rural areas for inpatient and outpatient medical and surgical specialty care, therefore Veterans requiring those services should not be impacted by the expiration of the ARCH contracts. In preparation for the expiration of the Project ARCH authority, individual transition plans for each Veteran participating in Project ARCH are being created. In addition, VHA is leading an integrated project team to review alternatives for providing primary care for rural Veterans.

Conclusion

VA delivers high quality health care to Veterans in an environment that understands and honors their military service. A continuum of health care services is covered under our medical benefits package. VA’s policy is to provide timely care to Veterans within its system where feasible, but we recognize we cannot provide the necessary care to every Veteran in our facilities. We are enhancing our use of non-VA

care to ensure we provide Veterans with quality healthcare when, where, and how they want it. Mr. Chairman and Mr. Ranking Member, I appreciate the opportunity to appear before you today. I am prepared to answer your questions.